

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

PEDRAM ABRAHAM MEHRIAN,
STRATEGIC LEGACY
INVESTMENT GROUP, INC., and
SLIG HIGH INTEREST LIQUID
SAVINGS COMPANY,

Defendants.

Case No. 2:23-cv-08009 FMO (PVCx)

**FINAL JUDGMENT AS TO
DEFENDANT STRATEGIC LEGACY
INVESTMENT GROUP, INC.**

1 This matter came before the Court on the Securities and Exchange
2 Commission's ("SEC") Motion for Default Judgment against Defendant Strategic
3 Legacy Investment Group, Inc. ("Defendant"). The Court having considered the
4 SEC's Amended Complaint, the Motion, the supporting Memorandum of Points
5 and Authorities, the supporting declarations and exhibits, and the other evidence
6 and argument presented to the Court, finds that the SEC's motion is GRANTED.

7 I.

8 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
9 is permanently restrained and enjoined from violating, directly or indirectly,
10 Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15
11 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5],
12 by using any means or instrumentality of interstate commerce, or of the mails, or
13 of any facility of any national securities exchange, in connection with the purchase
14 or sale of any security:

- 15 (a) to employ any device, scheme, or artifice to defraud;
- 16 (b) to make any untrue statement of a material fact or to omit to state a
17 material fact necessary in order to make the statements made, in the light of the
18 circumstances under which they were made, not misleading; or
- 19 (c) to engage in any act, practice, or course of business which operates or
20 would operate as a fraud or deceit upon any person.

21 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
22 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
23 binds the following who receive actual notice of this Judgment by personal service
24 or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys;
25 and (b) other persons in active concert or participation with Defendant or with
26 anyone described in (a).

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1 II.

2 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
3 that Defendant is permanently restrained and enjoined from violating Section 17(a)
4 of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the
5 offer or sale of any security by the use of any means or instruments of
6 transportation or communication in interstate commerce or by use of the mails,
7 directly or indirectly:

8 (a) to employ any device, scheme, or artifice to defraud;

9 (b) to obtain money or property by means of any untrue statement of a
10 material fact or any omission of a material fact necessary in order to make the
11 statements made, in light of the circumstances under which they were made, not
12 misleading; or

13 (c) to engage in any transaction, practice, or course of business which
14 operates or would operate as a fraud or deceit upon the purchaser.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
16 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
17 binds the following who receive actual notice of this Judgment by personal service
18 or otherwise: (a) Defendant’s officers, agents, servants, employees, and attorneys;
19 and (b) other persons in active concert or participation with Defendant or with
20 anyone described in (a).

21 III.

22 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that
23 Defendant is permanently restrained and enjoined from violating Section 5(a) and
24 (c) of the Securities Act [15 U.S.C. § 77e(a), (c)] by, directly or indirectly, in the
25 absence of any applicable exemption:

26 (a) Unless a registration statement is in effect as to a security, making use
27 of any means or instruments of transportation or communication in interstate

1 commerce or of the mails to sell such security through the use or medium of any
2 prospectus or otherwise;

3 (b) Unless a registration statement is in effect as to a security, carrying or
4 causing to be carried through the mails or in interstate commerce, by any means or
5 instruments of transportation, any such security for the purpose of sale or for
6 delivery after sale; or

7 (c) Making use of any means or instruments of transportation or
8 communication in interstate commerce or of the mails to offer to sell or offer to
9 buy through the use or medium of any prospectus or otherwise any security, unless
10 a registration statement has been filed with the Commission as to such security, or
11 while the registration statement is the subject of a refusal order or stop order or
12 (prior to the effective date of the registration statement) any public proceeding or
13 examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
15 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
16 binds the following who receive actual notice of this Judgment by personal service
17 or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys;
18 and (b) other persons in active concert or participation with Defendant or with
19 anyone described in (a).

20 IV.

21 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
22 that Defendant is liable for disgorgement of \$4,897,210.08, representing net profits
23 gained as a result of the conduct alleged in the Amended Complaint, together with
24 prejudgment interest thereon in the amount of \$487,378.56, and a civil penalty in
25 the amount of \$1,152,314 pursuant to Section 20(d) of the Securities Act [15
26 U.S.C. § 77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)].
27 Defendant shall satisfy this obligation by paying \$6,536,902.64, to the Securities
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1 and Exchange Commission within 14 days after the entry of this Final Judgment.
2 Defendant may transmit payment electronically to the Commission, which will
3 provide detailed ACH transfer/Fedwire instructions upon request. Payment may
4 also be made directly from a bank account via Pay.gov through the SEC website at
5 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified
6 check, bank cashier's check, or United States postal money order payable to the
7 Securities and Exchange Commission, which shall be delivered or mailed to

8 Enterprise Services Center
9 Accounts Receivable Branch
10 6500 South MacArthur Boulevard
11 Oklahoma City, OK 73169

12 and shall be accompanied by letter identifying the case title, civil action number,
13 and name of this Court; identifying Strategic Legacy Investment Group, Inc. as a
14 defendant in this action; and specifying that payment is made pursuant to this Final
15 Judgment.

16 Defendant shall simultaneously transmit photocopies of evidence of
17 payment and case identifying information to the Commission's counsel in this
18 action. By making this payment, Defendant relinquishes all legal and equitable
19 right, title, and interest in such funds and no part of the funds shall be returned to
20 Defendant.

21 The Commission may enforce the Court's judgment for disgorgement and
22 prejudgment interest by using all collection procedures authorized by law,
23 including, but not limited to, moving for civil contempt at any time after 30 days
24 following entry of this Final Judgment.

25 The Commission may enforce the Court's judgment for penalties by the use
26 of all collection procedures authorized by law, including the Federal Debt
27 Collection Procedures Act, 28 U.S.C. § 3001 et seq., and moving for civil

1 contempt for the violation of any Court orders issued in this action. Defendant
2 shall pay post-judgment interest on any amounts due after 30 days of the entry of
3 this Final Judgment pursuant to 28 U.S.C. § 1961. The Commission shall hold the
4 funds, together with any interest and income earned thereon (collectively, the
5 “Fund”), pending further order of the Court.

6 The Commission may propose a plan to distribute the Fund subject to the
7 Court’s approval. Such a plan may provide that the Fund shall be distributed
8 pursuant to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act
9 of 2002. The Court shall retain jurisdiction over the administration of any
10 distribution of the Fund and the Fund may only be disbursed pursuant to an Order
11 of the Court.

12 Regardless of whether any such Fair Fund distribution is made, amounts
13 ordered to be paid as civil penalties pursuant to this Judgment shall be treated as
14 penalties paid to the government for all purposes, including all tax purposes. To
15 preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or
16 reduction of any award of compensatory damages in any Related Investor Action
17 based on Defendant’s payment of disgorgement in this action, argue that it is
18 entitled to, nor shall it further benefit by, offset or reduction of such compensatory
19 damages award by the amount of any part of Defendant’s payment of a civil
20 penalty in this action (“Penalty Offset”). If the court in any Related Investor
21 Action grants such a Penalty Offset, Defendant shall, within 30 days after entry of
22 a final order granting the Penalty Offset, notify the Commission’s counsel in this
23 action and pay the amount of the Penalty Offset to the United States Treasury or to
24 a Fair Fund, as the Commission directs. Such a payment shall not be deemed an
25 additional civil penalty and shall not be deemed to change the amount of the civil
26 penalty imposed in this Judgment. For purposes of this paragraph, a “Related
27 Investor Action” means a private damages action brought against Defendant by or

1 on behalf of one or more investors based on substantially the same facts as alleged
2 in the Complaint in this action.

3 V.

4 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this
5 Court shall retain jurisdiction of this matter for the purposes of enforcing the terms
6 of this Agreement.

7 VI.

8 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
9 Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment
10 forthwith and without further notice.

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12 Dated: April 18, 2024

13 /s/ Fernando M. Olguin.

14 UNITED STATES DISTRICT JUDGE

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